



County of San Diego

LAND USE AND ENVIRONMENT GROUP

SARAH E. AGHASSI
DEPUTY CHIEF ADMINISTRATIVE OFFICER

1600 Pacific Highway, Room 212, San Diego, CA 92101
(619) 531-6256 • Fax: (619) 531-5476
www.sdcounty.ca.gov/lueg

November 16, 2011

TO: Supervisor Bill Horn, Chairman
Supervisor Ron Roberts, Vice – Chairman
Supervisor Greg Cox
Supervisor Dianne Jacob
Supervisor Pam Slater-Price

FROM: Sarah E. Aghassi
Deputy Chief Administrative Officer

ANNUAL REPORT OF TRANSPORTATION IMPACT FEES (District: ALL)

On April 20, 2005, the Board approved the County's first Transportation Impact Fee (TIF) program to be used to defray the costs of constructing transportation facilities necessary to accommodate increased traffic generated by future development. The Board approved an update to the TIF program on January 30, 2008 that reduced commercial and industrial TIF rates by an average of 40 percent.

Government Code section 66006(b)(1) requires the transportation impact fee account information be made available to the public within 180 days after the last day of each fiscal year, and filed with the Board at its next regularly scheduled public meeting. The report includes amounts collected and the projects for which the money has been collected and eligible project expenses. A brief summary of the report is set forth below.

Trust Deposits Balance Summary

Beginning balance July 1, 2010	\$13,449,940
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Plus:	
Collection	\$3,071,790
Interest	\$99,297

Less:	
Expended on improvements	\$1,885,957
SR76 reimbursement agreement	\$392,381
Administrative costs	\$218,514
Refunds	\$62,608

Ending balance as of June 30, 2011 is **\$14,061,567**

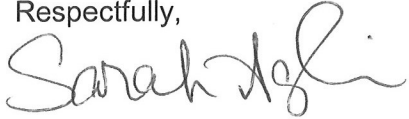
These funds remain on deposits to construct specified improvements.

Board of Supervisors
November 16, 2011
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To date, Department of Public Works has expended a total of \$8,086,601 on Road Reconstruction and Preliminary Engineering.

If you have any questions or need additional information, please contact me or Richard Crompton, Director of Public Works, at (858) 694-2233.

Respectfully,

A handwritten signature in cursive script, appearing to read "Sarah Aghassi".

SARAH E. AGHASSI
Deputy Chief Administrative Officer

cc: Department of Public Works (O384)



County of San Diego
Transportation Impact Fee and
Regional Transportation Congestion Improvement Program
Annual Report
July 2010– June 2011

The Board adopted the Transportation Impact Fee (TIF) program on April 20, 2005 (10), and the program became operative on June 19, 2005. On February 27, 2008 (11) the Board adopted an update to the TIF program, which went into effect on April 27, 2008. The TIF program was adopted in response to a 2002 court decision prohibiting the use of a de minimus exception to avoid mitigating traffic impacts in accordance with the California Environmental Quality Act (CEQA). The court decision left hundreds of private development projects in the unincorporated County with no financially feasible way to mitigate cumulative traffic impacts. The TIF program provided a mechanism for these projects to mitigate these impacts and move forward.

The TIF program allows development, large and small, to mitigate cumulative traffic impacts by allowing developers to pay a fee. Without TIF, developers would be required to make improvements to fully mitigate cumulative traffic impacts. For some projects, this could mean having to build substantial road improvements, the cost of which greatly exceeds any possible economic return on the development. The only alternative to constructing the improvements would be for the County to prepare an Environmental Impact Report, instead of potentially using a more appropriate and less costly level of review such as a negative declaration, with a statement of overriding considerations (CEQA Guidelines section 15093). To override the need for mitigation, the County would be required to find that economic, social, environmental or other benefits outweigh the unavoidable adverse environmental effects of the project. Since impacts are frequently avoidable and hence capable of being mitigated, it is often impossible to make these findings. TIF provides a mechanism to provide cost effective CEQA mitigation of traffic impacts for County development projects.

When combined with public funds to address existing capacity deficiencies, the TIF ensures there will be resources to provide a future transportation system that operates at an acceptable level of service throughout the unincorporated County. To ensure integrity, execution and transparency, State law requires the County to publish an annual TIF summary report within 180 days of the fiscal year end. This report satisfies that reporting requirement and was prepared in accordance with State requirements and Government Code (GC) §66006(b) (1).

The TransNet Extension Ordinance, administered by SANDAG and approved by voters on November 2, 2004, requires that starting July 1, 2008, the County exact \$2,000 from new developments for each newly constructed residential unit in the unincorporated areas of the County to fund the County Regional Transportation Congestion Improvement Program (RTCIP). The exaction amount shall be adjusted without further action of the Board of Supervisors. The current RTCIP minimum collection amount is \$2,081 per residential unit. The County's existing TIF program is the Funding Program that fulfills this requirement. This annual report contains RTCIP collection and expenditure information and satisfies the annual RTCIP reporting requirements.

This report summarizes the following information as required by the GC.

- A. Brief description of the type of fee in the fund
- B. Amount of fee
- C. Beginning and ending balance of the fund
- D. Amount of fees collected and interest earned
- E. Identification of projects on which fees were expended including the total percentage of the cost that was funded with fees
- F. Approximate date by which construction of the improvements will commence
- G. Description of each interfund transfer or loan made
- H. Amount of refunds
- I. Regional Transportation Congestion Improvement Program (RTCIP)

The Board of Supervisors (BOS) shall review the information contained in this report not less than 15 days after this information is made available to the public per GC § 66006(b)(2). A copy of this report is available at the office of the Clerk of the Board located at **1600 Pacific Highway, Room 402, San Diego, CA 92101** and on the County of San Diego Department of Public Works Land Development Division's TIF website that can be located at <http://www.sdcountry.ca.gov/dpw/land/tif.html>

A) DESCRIPTION OF FEE (Gov. Code § 66006 (b) (1)(A))

The TIF Ordinance authorizes the imposition and collection of fees from future development to offset the construction costs of planned transportation facilities necessary to accommodate increased traffic generated by future development. The TIF was established in accordance with the Mitigation Fee Act (GC § 66000 et seq.). The TIF is assessed and collected at issuance of a development permit, including a building permit, to proportionally provide the funding necessary to mitigate the cumulative impacts due to increased traffic generated by future development.

The TIF collects funds based on local and regional facility needs. Local facilities are classified as Collector (or below) and are roads that benefit the local community in which they are located. There are twenty-three local TIF areas throughout the County.

TABLE A.1 – TIF LOCAL AREAS

No	Local No	Description	No	Local No	Description
1	7028	Sweetwater	13	7043	Pendleton Deluz
2	7029	Spring Valley	14	7044	Pala Pauma
3	7030	San Dieguito	15	7045	Otay
4	7034	Alpine	16	7046	Valley Center
5	7035	Crest Dehesa	17	7047	North County Metro
6	7036	Fallbrook	18	7048	Lakeside*
7	7037	Julian	19	7049	Jamul Dulzura
8	7038	Mountain Empire	20	7050	Desert
9	7039	North Mountain	21	7051	County Islands
10	7040	Valle De Oro	22	7052	Central Mountain
11	7041	Ramona	23	7053	Bonsall
12	7042	Rainbow			

* includes Pepper Dr-Bostonia

Regional facilities are roads classified above Collector status; such as Prime Arterials, Major roads, state routes and other regionally significant facilities which benefit both the community and surrounding areas and are part of the Regional Arterial System, as defined by SANDAG. The three regions in the County are the North, South and East regions.

TABLE A.2 – TIF REGIONAL AREAS

No	Regional No	Description
1	7031	North
2	7032	South
3	7033	East

Freeway Ramps are classified as Freeway Ramp North, South, and East. As part of the April 2008 TIF update, the County identified specific freeway ramp interchanges and at-grade highway intersections are to be funded in part by the TIF program. These facilities were not included in the Prior Reports. Based on currently available traffic data, a number of freeway ramp interchanges and at-grade highway intersections were identified as necessary to accommodate growth.

TABLE A.3 – TIF FREEWAY RAMP AREAS

No	Freeway Ramp No	Description
1	9634	North
2	9635	South
3	9636	East

B) AMOUNT OF FEE (Gov.Code § 66006 (b)(1)(B))

Below are tables of TIF amounts. Per Section 77.213 of the San Diego County Code of Regulatory Ordinances (County Code), the fee rate shall be adjusted annually without further action of the Board of Supervisors, starting on January 1, 2006, and on each January 1st thereafter. The adjusted rate shall be applied to a calendar year. The annual fee adjustment is required by SANDAG to comply with the RTCIP.

Detailed TIF calculation and program information are on the County's website at <http://www.sdcountry.ca.gov/dpw/land/tif.html> or available at the Department of Public Works (DPW) Land Development Division at 5201 Ruffin Road, Suite D, San Diego

TABLE B.1 - RESIDENTIAL TIF FEES – As of January 1, 2011

TIF AREA	COST PER SINGLE FAMILY DETACHED (SFD) RESIDENTIAL UNIT			
	Freeway Ramp	Local	Regional	Total
Alpine	\$162	\$1,960	\$3,564	\$5,686
Bonsall	\$45	\$6,830	\$6,429	\$13,304
Cental Mountain	\$3	\$0	\$2,376	\$2,379
County Islands	\$162	\$0	\$3,564	\$3,726
Crest-Dehesa	\$162	\$1,090	\$3,564	\$4,816
Desert	\$3	\$338	\$2,377	\$2,718
Fallbrook	\$45	\$6,583	\$6,429	\$13,057
Jamul-Dulzura	\$162	\$2,363	\$3,564	\$6,089
Julian	\$3	\$0	\$2,376	\$2,379
Lakeside *	\$162	\$4,364	\$3,564	\$8,090
Mountain Empire	\$3	\$0	\$2,376	\$2,379
North County Metro	\$45	\$1,856	\$6,429	\$8,330
North Mountain	\$3	\$0	\$2,376	\$2,379
Otay	\$162	\$714	\$3,564	\$4,440
Pala-Pauma	\$45	\$1,273	\$6,429	\$7,747
Pendleton-De Luz	\$45	\$8	\$6,429	\$6,482
Rainbow	\$45	\$4,830	\$6,429	\$11,304
Ramona	\$3	\$6,427	\$2,377	\$8,807
San Dieguito	\$45	\$3,506	\$6,429	\$9,980
Spring Valley	\$162	\$714	\$3,564	\$4,440
Sweetwater	\$162	\$1,415	\$3,564	\$5,141
Valle de Oro	\$162	\$4,986	\$3,564	\$8,712
Valley Center	\$45	\$2,778	\$6,429	\$9,252

* Lakeside includes Pepper Dr-Bostonia

To determine the TIF for other residential land uses other than single-family detached (SFD) residential units, the following formula are used:

- (1) Multi-family attached home, condominium, apartment, and lodging including hotel rooms and time-share units, and accessory apartment (granny flat): 67% of SFD fee per unit
- (2) Mobile home, agricultural labor residential (non-primary residence), and retirement community: 33% of SFD fee per unit
- (3) Congregate Care Facility for persons unable to care for themselves: 20% of SFD fee per unit

For residential projects, credits may be available for direct impact improvements constructed to improve a TIF roadway facility or an alternative TIF facility.

B.1) REGIONAL TRANSPORTATION CONGESTION PROGRAM (RTCIP)

The Regional Transportation Congestion Program (RTCIP)¹ requires the County to collect a minimum amount per residential unit on average for residential new construction. The minimum collection amount for fiscal year 2010-11 is \$2,081 per residential unit and the County's overall average collection per residential unit was \$3,904. The average collected Regional Residential TIF amount across all TIF areas is sufficient to satisfy the collection requirements for the fiscal year 2010-11 RTCIP ordinance.

TABLE B.2-NON-RESIDENTIAL TIF FEES-As of January 1, 2011

General Commercial TIF fee = Cost per 1,000 Square Foot multiplied by the Facility Floor Square Footage divided by 1,000

TIF AREA	COST PER 1,000 SQUARE FOOT FOR GENERAL COMMERCIAL			
	Freeway Ramp	Local	Regional	Total
Alpine	\$505	\$5,871	\$3,616	\$9,992
Bonsall	\$116	\$20,451	\$3,188	\$23,755
Central Mountain	\$9	\$0	\$5,481	\$5,490
County Islands	\$505	\$0	\$5,988	\$6,493
Crest-Dehesa	\$505	\$3,265	\$4,665	\$8,435
Desert	\$9	\$1,011	\$5,483	\$6,503
Fallbrook	\$116	\$19,710	\$3,500	\$23,326
Jamul-Dulzura	\$505	\$7,076	\$3,109	\$10,690
Julian	\$9	\$0	\$5,481	\$5,490
Lakeside *	\$505	\$13,063	\$700	\$14,268
Mountain Empire	\$9	\$0	\$5,481	\$5,490
North County Metro	\$116	\$5,560	\$9,214	\$14,890
North Mountain	\$9	\$0	\$5,481	\$5,490
Otay	\$505	\$2,139	\$5,133	\$7,777
Pala-Pauma	\$116	\$3,810	\$9,914	\$13,840
Pendleton-De Luz	\$116	\$39	\$11,430	\$11,585
Rainbow	\$116	\$14,463	\$5,598	\$20,177
Ramona	\$9	\$17,341	\$0	\$17,350
San Dieguito	\$116	\$10,498	\$7,192	\$17,806
Spring Valley	\$505	\$2,139	\$5,133	\$7,777
Sweetwater	\$505	\$4,237	\$4,237	\$8,979
Valle de Oro	\$505	\$14,890	\$0	\$15,395
Valley Center	\$116	\$8,320	\$8,087	\$16,523

* Lakeside includes Pepper Dr-Bostonia

¹ Additional information on the Regional Transportation Congestion Program (RTCIP) can be found in Section 9 of the SANDAG TransNet Ordinance.

To determine the TIF for other non-residential commercial and industrial land uses other than general commercial, the following formula shall be used:

- (1) Furniture Stores: 14% of general commercial fee
- (2) General Industrial: 37% of general commercial fee
- (3) Storage, Warehousing, Wineries, Non-residential Agricultural: 14% of general commercial fee
- (4) Offices: 56% of general commercial fee
- (5) Schools and Government/Institutional: 32% of general commercial fee

Direct Improvement Credits for non-residential developments have already been included in the County's overall program for non-residential TIF rates. Therefore, direct improvement costs for improvements to TIF roadway facilities or alternate TIF facilities shall not be used as a TIF credit or reduction for non-residential development. The non-residential TIF fee shall be computed based on the applicable TIF rate for the primary use of a building or the primary use of each individual storefront for mixed use buildings.

B.2) SELECT INDUSTRIAL

Some select industrial uses generate traffic but do not construct facilities of a size that will generate a TIF payment to adequately mitigate the project's traffic impacts. These select industrial uses include but are not limited to: quarry operations, mining operations, borrow pit operations, landfill operations, and concrete and asphalt production facilities including batch plants. For these industrial uses, they shall perform a traffic study to determine the traffic impacts of their project. The traffic study shall specifically convert heavy vehicle trips to Passenger Vehicle Equivalent trips. These industrial projects' TIF payment shall be calculated using the applicable total cost-per trip from the table below multiplied by the expected number of average daily trips (ADT) their project will generate. Credits and reductions shall be as shown for non-residential developments in Section 77.208.2 of the County Code. Costs in the table below will be updated annually as shown in Section 77.213 of the County Code.

TABLE B.3 - SELECT INDUSTRIAL TIF FEES – As of January 1, 2011

TIF Payment = Cost/trip X Number of Average Daily Trips

TIF AREA	COST PER TRIP FOR SELECT INDUSTRIAL USES			
	Freeway Ramp	Local	Regional	Total
Alpine	\$12	\$163	\$102	\$277
Bonsall	\$3	\$569	\$88	\$660
Central Mountain	\$0	\$0	\$152	\$152
County Islands	\$12	\$0	\$167	\$179
Crest-Dehesa	\$12	\$91	\$131	\$234
Desert	\$0	\$29	\$152	\$181
Fallbrook	\$3	\$549	\$96	\$648
Jamul-Dulzura	\$12	\$197	\$88	\$297
Julian	\$0	\$0	\$152	\$152
Lakeside *	\$12	\$364	\$20	\$396
Mountain Empire	\$0	\$0	\$152	\$152
North County Metro	\$3	\$155	\$256	\$414
North Mountain	\$0	\$0	\$152	\$152
Otay	\$12	\$59	\$144	\$215
Pala-Pauma	\$3	\$106	\$274	\$383
Pendleton-De Luz	\$3	\$1	\$318	\$322
Rainbow	\$3	\$402	\$155	\$560
Ramona	\$0	\$481	\$0	\$481
San Dieguito	\$3	\$292	\$200	\$495
Spring Valley	\$12	\$59	\$144	\$215
Sweetwater	\$12	\$117	\$120	\$249
Valle de Oro	\$12	\$415	\$0	\$427
Valley Center	\$3	\$232	\$223	\$458

* Lakeside includes Pepper Dr-Bostonia

C) BEGINNING AND ENDING BALANCE OF FUND (Gov. Code § 66006 (b)(1)(C))

The total TIF funds available, after expenditures, at the end of fiscal year 2010-11 are \$14,061,567.

TABLE C.1--FISCAL YEAR 2010-11 TIF BEGINNING AND ENDING BALANCE

TIF AREA	Beginning Balance (JUL-10)	Ending Balance (JUN-11)
NORTH *	\$ 135,831	\$ 267,008
SOUTH *	2,995,997	3,310,757
EAST *	1,530,300	1,062,462
ALPINE	208,970	245,661
BONSALL	366,173	190,272
CENTRAL MOUNTAIN	-	-
COUNTY ISLANDS	-	-
CREST DEHESA	49,789	54,871
DESERT	49,561	55,776
FALLBROOK	2,139,383	2,407,601
JAMUL DULZURA	253,257	275,078
JULIAN	-	-
LAKESIDE	910,283	856,482
MOUNTAIN EMPIRE	-	-
NORTH COUNTY METRO	172,517	190,335
NORTH MOUNTAIN	-	-
OTAY	97,997	160,345
PALA PAUMA	57,351	57,038
PENDLETON DELUZ	159	165
RAINBOW	75,139	75,746
RAMONA	1,203,461	1,224,263
SAN DIEGUITO	977,227	1,332,811
SPRING VALLEY	72,234	74,381
SWEETWATER	25,214	28,884
VALLE DE ORO	1,581,278	1,609,639
VALLEY CENTER	532,068	532,610
FREEWAY RAMP NORTH	13,629	22,129
FREEWAY RAMP SOUTH	1,571	26,627
FREEWAY RAMP EAST	552	624
	<u>13,449,940</u>	<u>14,061,567</u>

*North, South, and East Regions include RTCIP collections and expenditures effective 7/1/2008.

D) FEES COLLECTED AND INTEREST EARNED (Gov. Code § 66006 (b)(1)(D))

The table below shows the amount of fees collected and interest earned for each TIF Area for fiscal years 2009-10 and 2010-11. Collection amounts for North, South, and East Regional Areas starting in fiscal year 2008-09 includes RTCIP collections for residential units. The fees collected in fiscal year 2010-11 were \$3,071,790 and the interest earned was \$99,297.

TABLE D.1–FISCAL YEAR 2009-10 AND 2010-11 TIF AMOUNTS COLLECTED AND INTEREST EARNED

TIF AREA	COLLECTIONS FY 10-11	INTEREST FY 10-11*(2)	INTEREST ACCRUAL FY 10-11*(1)	COLLECTIONS FY 09-10	INTEREST FY 09-10
NORTH**	937,832	1,413	359	738,283	5,164
SOUTH**	503,959	22,571	4,448	152,243	70,782
EAST**	93,134	9,927	1,428	77,074	49,603
ALPINE	39,217	1,653	330	11,162	5,264
BONSALL	27,186	1,985	256	27,339	10,713
CREST DEHESA	5,704	375	74	4,194	1,236
DESERT	7,155	360	75	427	1,295
FALLBROOK	417,265	16,133	3,235	356,841	50,743
JAMUL DULZURA	24,959	1,882	370	24,380	5,766
LAKESIDE	325,312	6,996	1,151	476,457	13,885
NORTH COUNTY METRO	27,489	1,294	256	39,214	4,514
OTAY	63,602	707	215	-	459
PALA PAUMA	420	414	77	11,334	1,232
PENDLETON DELUZ	8	1	0	-	5
RAINBOW	1,563	547	102	1,502	1,608
RAMONA	59,522	8,718	1,645	149,556	25,650
SAN DIEGUITO	423,091	7,982	1,791	128,552	27,779
SPRING VALLEY	3,064	528	100	856	1,951
SWEETWATER	3,952	195	39	1,387	616
VALLE DE ORO	57,165	11,555	2,163	57,937	37,132
VALLEY CENTER	7,324	3,859	716	14,865	13,770
FREEWAY RAMP NORTH	8,726	122	30	5,659	140
FREEWAY RAMP SOUTH	34,064	79	36	23,662	318
FREEWAY RAMP EAST	78	4	1	154	5
	3,071,790	99,297	18,894	2,303,075	329,629

* * These regions includes RTCIP fees amounts collected and interest earned FY 2009-10 and 2010-11.

* Note: (1) The fourth quarter accrued interest earned in an amount of \$18,894 will be receive in Fiscal Year 2011-12.

(2) Interest FY 10-11, calculation was based on the YTD balance amount.

E) EXPENDITURES (Gov. Code § 66006 (b)(1)(E))

During fiscal year 2010-11, the Road Fund was reimbursed \$1,885,597 from TIF collections for Capital Improvement Program (CIP) expenditures on eligible TIF roadway facilities. Fourth quarter CIP reimbursement from TIF collections is \$543,312 which was accrued in fiscal year 2010-11 and will be reimbursed in fiscal year 2011-12. Total TIF expenditures since the TIF program inception are \$8,086,601; these costs include expenditures in prior years, fiscal year 2010-11, and for fourth quarter expenditures to be reimbursed in fiscal year 2011-12. The table below shows the TIF and RTCIP amounts expended for CIP projects and the actual percentage of TIF funding on the project at this time.

TABLE E.1 –FISCAL YEAR 2010-11 TIF EXPENDITURES

Project Description	RTCIP - FUNDED	TIF AREA	Prior Yrs	TIF Actual	TIF Accrued	Total	Total	TIF %
			TIF Actual	Costs	Costs to be	TIF/RTCIP	CIP	of Proj
			Reimb	Reimb in	Reimb in	REMB	Costs	Cost
				FY10-11	FY11-12			
Cole Grade Rd	YES	North	230,073			230,073	669,839	34%
*South Santa Fe North	YES	North	1,295,907	392,382	134,664	1,822,953	29,073,670	6%
Rancho Santa Fe Roundabouts	YES	North	157,490			157,490	157,490	100%
South Santa Fe South (Phase II)	YES	North	26,999			26,999	1,050,644	3%
Bear Vly Pkw y N	YES	North	843,221			843,221	2,412,428	35%
Bear Vly Pkw y S	YES	North	75,932			75,932	75,932	100%
SR76 Granite Construction	NO	North	17,587			17,587	17,587	100%
Mission and Ranger	YES	North	5,426			5,426	5,492	99%
Bradley Ave / SR 67	NO	S. FWY Ramp	61,522	7,522		69,044	69,044	100%
Bradley Ave / SR 67	NO	Lakeside	243,306	358,995	49,921	652,222	2,343,136	28%
Lone Star Rd 1C1011	YES	South	26,248			26,248	218,098	12%
**Otay Mesa Rd	YES	South	128,035	139,820	54,810	322,665	322,665	100%
Lone Star Road	NO	South	466			466	466	100%
**Alpine Blvd	YES	South	(6,090)		83,912	77,822	77,822	100%
***Dye Road Extension	YES	East	427,057	145,996	44,570	617,623	1,716,311	36%
*** San Vicente Rd South I	YES	East	215,301	373,578	142,558	731,437	3,055,597	24%
San Vicente Rd South II (East)	NO	East	65,924			65,924	65,924	100%
Southern Traffic Bypass	YES	East	354			354	1,062	33%
Camino Del Rey Old River Rd	NO	Bonsall	193,877	193,825	13,028	400,731	429,577	93%
Knottwood Way	NO	Fallbrook	166,693	83,798		250,492	385,287	65%
Stagecoach Ln Reche Rd	NO	Fallbrook	91,834	1,300		93,134	134,583	69%
Stagecoach Lane	NO	Fallbrook	15,715			15,715	15,715	100%
Via Rancho Parkway	NO	North Cnty Mtro	63,504			63,504	69,146	92%
South Santa FE South (Phase II)	NO	North Cnty Mtro	152,724			152,724	152,724	100%
Ramona Street Extension	NO	Ramona	207,972	44,863	(10,446)	242,388	1,043,632	23%
Per 13th St Maple St	NO	Ramona	112,483	2,575	156	115,214	160,085	72%
Rancho Santa Fe Roundabouts	NO	San Dieguito	791,857	61,219	24,944	878,021	1,367,744	64%
Fallbrook St Reche Rd Extension	NO	Fallbrook	45,914	80,082	5,195	131,192	184,256	71%
Grand Total TIF Expenditures			5,657,333	1,885,957	543,312	8,086,601	45,275,958	18%

*Collections for RTCIP NORTH were expended on this project for FY10/11.

** Collections for RTCIP SOUTH were expended on these projects for FY10/11.

*** Collectionx for RTCIP EAST were expended on these projects for FY10/11.

E.1) REIMBURSEMENT AGREEMENT

The TIF Ordinance has a provision that the County may enter into reimbursement agreements with developers to ensure efficient and timely construction of transportation improvements and or to ensure compliance with CEQ A. Currently, the County has one reimbursement agreement with Granite Construction Company for improvements to State Route 76 east of Interstate Highway 15 to Couser Canyon Road and various modifications for State Route 76 and Interstate 15 interchange/ramps. These improvements are on "Regional Facilities" located within the TIF North Region of the County. Granite Construction Company's road improvement is complete, and total amount reimbursed as July 18, 2011 is \$6,617,206.

Granite Construction Co., - SR76 Reimbursement Agreement:

Total Contract Amount	25,216,022.00	
Approved Requested Amount		18,403,823
Amount Reimbursed FY 09/10	6,224,824	
Amount Reimbursed FY 10/11	392,382	
Total Reimbursed amount (as of 7/18/11)		6,617,206
Amount Eligible for future payment		<u>11,786,617</u>

*Accrued expenditures for fourth quarter are not included in the FY10-11 reimbursement amount.

E.2) ADMINISTRATION COST REIMBURSEMENT

The 2008 TIF Update report, Table 4 outlines the planning level costs associated with the TIF program. These planning-level costs were based in part on estimates made in SANDAG's Regional Transportation Plan and include program administration (2%) cost. This year, the County is in the process of updating the Transportation Impact Fee Program and TIF Consultant Services are needed. Administrative costs incurred thru BPA 535329 Agreement with EFS Engineering, Inc., were reimbursed from TIF collections for fiscal year 2010-11 in the amount of \$218,514 and the fourth quarter reimbursement from TIF will be \$20,369 which was accrued in fiscal 2010-11 and will be reimbursed in fiscal year 2011-12.

LOCATION	FY10-11 2% REIMB ADMIN COST	Accrued cost to be REIMB in FY11-12
SOUTH REGION	62,291	
EAST REGION	45,157	
ALPINE	4,179	
BONSALL	11,246	
CREST DEHESA	996	
DESERT	991	
JAMUL DULZURA	5,019	
LAKESIDE	22,963	
NORTH COUNTY METRO	7,831	
OTAY	1,960	
PALA PAUMA	1,147	
PENDLETON DELUZ	3	
RAINBOW	1,503	
RAMONA	-	11,992
SAN DIEGUITO	7,516	8,377
SPRING VALLEY	1,445	
SWEETWATER	477	
VALLE DE ORO	31,626	
VALLEY CENTER	10,641	
FREEWAY RAMP NORTH	262	
FREEWAY RAMP SOUTH	1,249	
FREEWAY RAMP EAST	11	
TOTAL	218,514	20,369

F) CONSTRUCTION COMMENCEMENT DATE (Gov. Code § 66006 (b)(1) (F))

State law requires an identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. There are no projects for which sufficient funds have been collected to complete financing at this time.

G) INTERFUND TRANSFER OR LOANS (Gov. Code § 66006 (b)(1)(G))

No inter-fund transfers or loans were made.

H) REFUNDS (Gov. Code § 66006 (b)(1)(H))

The Department of Public Works (DPW) Director shall, upon written request, refund the fee and any interest earned on the fee, less any administrative costs, to the record property owner or his/her legally appointed representative if a building permit or development permit expired, cancelled, or voided and if any fees paid pursuant to this Division have not been expended and no construction has taken place pursuant to such a permit.

The table below represents the amount of refunds made during fiscal years 2010-11 and 2009-10. The total amount of refunds made in fiscal year 2010-11 was \$62,608.

TABLE H.1 – TIF REFUNDS

TIF AREA	REFUNDS Fiscal Year 2010-2011	REFUNDS Fiscal Year 2009 -2010
NORTH	23,305	18,175
SOUTH	9,658	3,350
EAST	6,167	3,651
DESERT	308	-
FALLBROOK	-	6,156
JAMUL DULZURA	-	2,221
LAKESIDE	4,150	-
NORTH COUNTY METRO	3,134	1,756
RAMONA	-	2,764
SAN DIEGUITO	6,753	-
VALLE DE ORO	8,732	-
VALLEY CENTER	-	2,628
FREEWAY RAMP NORTH	86	126
FREEWAY RAMP SOUTH	315	153
FREEWAY RAMP EAST	-	3
	62,608	40,980

I) Regional Transportation Congestion Program (RTCIP) Annual Report - TransNet Extension Ordinance Section 9(A)(B)

On November 2, 2004, San Diego County voters approved a 40-year extension to the TransNet funding program. San Diego Association of Governments (SANDAG) administers this major transportation funding program. Section 9 of the TransNet Extension Ordinance required the County to exact, starting on July 1, 2008, \$2,000 from new developments for each constructed residential unit in unincorporated San Diego County to fund the Regional Transportation Congestion Improvement Program (RTCIP). The County's TIF program is the mechanism for

complying with the RTCIP. Although the RTCIP funds are collected through the TIF program, we must account for the TIF funds used for the RTCIP separately to ensure RTCIP compliance.

The TransNet Extension Ordinance requires annual adjustments, starting July 1, 2009. As required by SANDAG, on March 24, 2010 (13), the Board of Supervisors adopted a resolution making the annual adjustment to \$2,081. The County is in compliance with this requirement as the average residential rate collected across all TIF areas was \$3,904 for fiscal year 2010-11.

There is a net ending balance of \$131,999 in the RTCIP for fiscal year 2010-11. The table I.1 below provides a summary of RTCIP program statistics including beginning balance, collections, refunds, interest, and project expenditures for fiscal 2010-11.

TABLE I.1 – RTCIP PROGRAM

REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM					
ANNUAL REPORT, For Fiscal Year Ending June 30, 2011					
Beginning Balance, July 1, 2010				\$	34,444
<u>COLLECTIONS</u>					
Location	No of Residential Units	Amount			
RTCIP North	135	\$ 760,377			
RTCIP South	127	\$ 330,131			
RTCIP East	31	\$ 58,777			
TOTAL	293	\$ 1,149,285		\$	1,149,285
<u>REFUNDS</u>					
		Principal	Interest		
RTCIP North	3	\$ 18,548	\$ 139		
RTCIP South	3	\$ 10,348	\$ 59		
RTCIP East					
TOTAL	6	\$ 28,896	\$ 198	\$	(29,094)
Net Balance:				\$1,154,635	
<u>INTEREST EARNED</u>					
RTCIP North		\$ 1,090			
RTCIP South		\$ 1,372			
RTCIP East		\$ 67			
TOTAL Interest			\$ 2,529	\$	2,529
TOTAL Collections		(Net balance plus interest)		\$1,157,164	
<u>TIF PROJECT EXPENDITURES:</u>					
South Santa Fe North Project (NORTH)		\$ 459,130			
SR76 Reimbursement Agreement (NORTH)		\$ 283,649			
Otay Mesa Road Project (SOUTH)		\$ 139,629			
Alpine Blvd., (SOUTH)		\$ 83,912			
Dye Rd Extension Project (EAST)		\$ 11,541			
San Vicente Rd So I Project (EAST)		\$ 47,303			
TOTAL Expenditures		\$ 1,025,165		\$	1,025,165
Net Ending balance				\$	131,999
Actual RTCIP Average Residential Collection rate per unit:					
Net collections* \$ 1,120,389					
# of Residential units 287 = \$ 3,904 which exceeds minimum required collection rate of \$2,081					
*Net Collections are Collections minus Refunds of Principal with no interest. (\$1,149,285 minus \$28,896)					